

**Amendments to the Drawings:**

Applicants are providing herewith replacement sheets for Figures 1-3, which include the changes required by the Examiner.

Attachments: 2 Replacement Sheets  
2 Annotated Sheets Showing Changes

## **REMARKS/ARGUMENTS**

Claims 1-20 are pending in the present application. Claim 9 has been amended herewith. Reconsideration of the claims is respectfully requested.

### **I. Drawings**

The drawings were identified as failing to comply with MPEP § 608.02(g). Applicants are submitting concurrently herewith replacement sheets for Figures 1-3 in order to address the Examiner's concerns.

### **II. 35 U.S.C. § 101**

Claims 9-16 stand rejected under 35 U.S.C. § 101 as being directed towards non-statutory subject matter. This rejection is respectfully traversed.

"A claimed computer-readable medium encoded with a data structure defines structural and functional interrelationships between the data structure and the computer software and hardware components which permit the data structure's functionality to be realized, and is thus statutory. See *Lowry*, 32 F.3d at 1583-84, 32 USPQ2d at 1035." Applicants have amended Claim 9 herewith to comply with the above described Lowry requirements for proper statutory subject matter, and thus the rejection of Claim 9 (and similarly for Claims 10-16) has been overcome.

Therefore, the rejection of Claims 9-16 under 35 U.S.C. § 101 has been overcome.

### **III. 35 U.S.C. § 103, Obviousness**

Claims 1, 6-9 and 14-17 stand rejected under 35 U.S.C. § 103 as being unpatentable over Applicants' Own Admitted Prior Art, hereinafter "APA" in view of Kiremidjian et al. (U.S. Patent Application Publication No. 2003/0229714), hereinafter "Kiremidjian" and further in view of Chidambaran et al. (U.S. Patent Application Publication No. 2005/0055446), hereinafter "Chidambaran". This rejection is respectfully traversed.

In rejecting claims under 35 U.S.C. Section 103, the examiner bears the initial burden of presenting a prima facie case of obviousness. *In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). Only if that burden is met, does the burden of coming forward with evidence or argument shift to the applicant. *Id.* To establish prima facie obviousness of a claimed invention, all of the claim limitations must be taught or suggested by the prior art. MPEP 2143.03. *See also, In re Royka*, 490 F.2d 580 (C.C.P.A. 1974). If the examiner fails to establish a prima facie case, the rejection is

improper and will be overturned. *In re Fine*, 837 F.2d 1071, 1074, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988). In the absence of a proper *prima facie* case of obviousness, an applicant who complies with the other statutory requirements is entitled to a patent. *See In re Oetiker*, 977 F.2d 1443, 1445, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992). As will be shown in detail below, the Examiner has failed to properly establish a *prima facie* showing of obviousness with respect to Claims 1, 6-9 and 14-17, and thus such claims have been erroneously rejected under 35 U.S.C. § 103.

With respect to Claim 1, such claim recites “determining a minimum penalty SLA from the plurality of SLAs based on the retrieved SLA information”. In rejecting Claim 1, the Examiner states that Applicant’s Admitted Prior Art (APA) teaches the claimed minimum penalty determination. Applicants deny such assertion, as Applicants have not admitted to any such minimum penalty SLA determination. Therefore, the Examiner has failed to properly establish a *prima facie* showing of obviousness with respect to Claim 1, as Applicants have not admitted anything with respect to a minimum penalty SLA determination.

Further with respect to Claim 1, such claim recites “reallocating service provider system resources from applications associated with the minimum penalty SLA to applications associated with the first SLA”. In rejecting this aspect of Claim 1, the Examiner states that Chidambaran teaches ‘reallocation of resources’ at page 3, paragraph [0043]. Notably absent in such assertion is any allegation by the Examiner that any cited reference teaches that the resources are reallocated *from* applications *associated with the minimum penalty SLA*, and these resources are reallocated *to* applications *associated with the first SLA*. This is likely because none of the cited references teach or suggest these missing claimed features. Instead, the cited Chidambaran reference merely describes a backend systems operator that *manually allocates system resources between a set of services* (page 3, paragraph [0043]). There is no description of any type of minimum penalty SLA being used in such manual resource allocation. Thus, it is further urged that Claim 1 has been erroneously rejected, as it is further shown that the Examiner has failed to properly establish a *prima facie* showing of obviousness with respect to such claim.

Applicants initially traverse the rejection of Claims 6-8 for reasons given above with respect to Claim 1 (of which Claims 6-8 depend upon).

Further with respect to Claim 8, such claim recites “wherein, if it is determined that a breach of a first SLA is not imminent, allocation of service provider system resources is performed in a default manner”. As can be seen, the features of Claim 8 are directed to conditional resource allocation processing steps, where allocation of resources is performed in a default manner *if* it is determined that a breach of a service level agreement is *not imminent*. In rejecting Claim 8, the Examiner states that such claimed conditional resource allocation feature is taught by APA at AD, page 4, lines 9-13. While

Applicants deny that reference AD is admitted prior art, Applicants in any event urge that this cited passage merely states:

“Automatic evaluation of service-level agreements (SLAs) – Tivoli Service Level Advisor automatically compares the terms of the SLAs (such a metrics, thresholds, and business schedules) with monitored data from your IT environment. Alerts are generated when any of the terms of the SLA are violated.”

This cited passage does not teach or otherwise suggest the features of Claim 8 for several reasons. First, this cited passage describes comparing two items (SLA terms; monitored data) and the generation of an *alert* when any of the SLA terms *are violated*. In contrast, the features of Claim 8 are directed to actions that occur if it is determined that a *breach is not imminent*. A teaching of actions that occur in response to an actual SLA term violation cannot teach actions that occur when a SLA term violation is *not* imminent. Secondly, the associated conditional action is also different between what is claimed and what is described by this cited passage. Per the features of Claim 8, the associated conditional action that occurs in response to the non-breach determination is an allocation of system resources. In contrast, and per the teachings of the cited reference, the associated action that occurs in response to the breach determination is the generation of an alarm. Thus, both the triggering condition (non-breach, as claimed versus breach, as per the cited reference) as well as the associated conditional action (system resource allocation, as claimed versus alarm generation, as per the cited reference) are different, and thus it is further urged that Claim 8 is not obvious in view of the cited references due to these additional claimed features that are not taught or suggested by the cited references.

Applicants initially traverse the rejection of Claims 9 and 14-17 for similar reasons to those given above with respect to Claim 1.

Applicants further traverse the rejection of Claim 16 for similar reasons to the further reasons given above with respect to Claim 8.

Therefore, the rejection of Claims 1, 6-9 and 14-17 under 35 U.S.C. § 103 has been overcome.

#### **IV. 35 U.S.C. § 103, Obviousness**

Claims 2 and 10 stand rejected under 35 U.S.C. § 103 as being unpatentable over Applicants' Own Admitted Prior Art, hereinafter “APA” in view of Kiremidjian et al. (U.S. Patent Application Publication No. 2003/0229714), hereinafter “Kiremidjian” in view of Chidambaran et al. (U.S. Patent Application Publication No. 2005/0055446), hereinafter “Chidambaran” as applied to claims 1 and 9 above and further in view of Laye et al. (U.S. Patent Application Publication No. 2003/0120771), hereinafter “Laye”. This rejection is respectfully traversed, as the newly cited reference to Laye does not

overcome the teaching/suggestion deficiencies identified above with respect to Claims 1 and 9, of which Claims 2 and 9 depend upon, respectively.

Therefore, the rejection of Claims 2 and 10 under 35 U.S.C. § 103 has been overcome.

**V. 35 U.S.C. § 103, Obviousness**

Claims 3-5, 11-13 and 18-20 stand rejected under 35 U.S.C. § 103 as being unpatentable over Applicants' Own Admitted Prior Art, hereinafter "APA" in view of Kiremidjian et al. (U.S. Patent Application Publication No. 2003/0229714), hereinafter "Kiremidjian" in view of Chidambaran et al. (U.S. Patent Application Publication No. 2005/0055446), hereinafter "Chidambaran" as applied to claims 1, 9 and 17 above and further in view of Chaddha et al. (U.S. Patent Application Publication No. 2006/0293942), hereinafter "Chaddha". This rejection is respectfully traversed.

Applicants initially urge error in the rejection of these claims for similar reasons to those given above with respect to independent Claims 1, 9 and 17, as the newly cited reference to Chaddha does not overcome the teaching/suggestion deficiencies identified thereinabove.

Further with respect to Claim 3, such claim recites specific steps of (1) identifying a lowest cost penalty from the one or more penalties associated with each SLA of the plurality of SLAs; (2) comparing the lowest cost penalty from the one or more penalties associated with each SLA of the plurality of SLAs to a penalty associated with the first SLA; and (3) selecting an SLA associated with either the lowest cost penalty from the one or more penalties associated with each SLA of the plurality of SLAs or the first SLA as a minimum penalty SLA based on the comparison. In rejecting Claim 3, the Examiner merely alleges:

"In the same field of endeavor, Chaddha teaches, (page 7, ¶0068, lines 14-19 & ¶0070) information associating penalties to SLAs."

Applicants urge that a mere cursory statement that penalties are associated to SLAs does not establish a specific teaching or suggestion with respect to each of the three explicitly enumerated steps recited in Claim 3 of:

- (1) identifying a lowest cost penalty from the one or more penalties associated with each SLA of the plurality of SLAs;
- (2) comparing the lowest cost penalty from the one or more penalties associated with each SLA of the plurality of SLAs to a penalty associated with the first SLA; and
- (3) selecting an SLA associated with either the lowest cost penalty from the one or more penalties associated with each SLA of the plurality of SLAs or the first SLA as a minimum penalty SLA based on the comparison.

Thus, it is further urged that Claim 3 has been erroneously rejected, as it is further shown that the Examiner has failed to properly establish a prima facie showing of obviousness with respect to such claim as the Examiner failed to address the detailed sub-steps associated with the minimal penalty determination that are expressly recited in Claim 3. Instead, the cited reference merely describes an identification of what contracts may be subject to penalties.

Further with respect to Claims 4-5, the Examiner states in rejecting such claims:

“Regarding claims 4, 5 the limitations of these claims have already been addressed above”.

Applicants urge that the only thing ‘addressed above’ is the rejection of Claim 3. Claims 4 and 5 are separate and distinct claims from Claim 3, and recite different elements than those recited in Claim 3. For example, Claim 4 recites “retrieving current service provider system *resource allocation information* for applications associated with each SLA of the plurality SLAs, wherein the SLA information includes one or more penalties associated with each SLA of the plurality of SLAs, and wherein determining a minimum penalty SLA based on the retrieved SLA information includes: identifying a subset of SLAs from the plurality of SLAs that have a sufficient current allocation of service provider system resources to be reallocated to applications associated with the first SLA in order to avoid breaching the first SLA; identifying a lowest penalty associated with SLAs in the subset of SLAs, to thereby identify a lowest penalty SLA candidate; and selecting the lowest penalty SLA candidate as the minimum penalty SLA”. As can be seen, a new step of ‘retrieving’ *system resource allocation information* is a part of Claim 4, and no other claims have previously recited this new step of retrieving system resource allocation information. Thus, the Examiner’s assertion that this claimed step has already been ‘addressed above’ is clearly erroneous, as no other claims (except related Claims 12 and 19) include such a system resource allocation information retrieval step, and thus there would have been no reason for the Examiner to have previously provided any analysis for such previously unclaimed system resource allocation retrieval step. Thus, it is further urged that Claim 4 (and dependent Claim 5) has been erroneously rejected, as it is shown that the Examiner has failed to properly establish a prima facie showing of obviousness with respect to such claim by their failure to address the claimed step of retrieving current service provider system resource allocation information.

In addition, Claim 4 recites detailed sub-steps associated with the previously recited ‘determining a minimal penalty step’, including

(i) identifying a subset of SLAs from the plurality of SLAs that have a sufficient current allocation of service provider system resources to be reallocated to applications associated with the first SLA in order to avoid breaching the first SLA;

- (ii) identifying a lowest penalty associated with SLAs in the subset of SLAs, to thereby identify a lowest penalty SLA candidate; and
- (iii) selecting the lowest penalty SLA candidate as the minimum penalty SLA

No other claims have previously recited these new sub-steps. Thus, the Examiner's assertion that these claimed sub-steps have already been 'addressed above' is clearly erroneous, as no other claims (except related Claims 12 and 19) include such determining sub-steps, and thus there would have been no reason for the Examiner to have previously provided any analysis for such claimed 'determining' sub-steps. Thus, it is further urged that Claim 4 (and dependent Claim 5) has been erroneously rejected, as it is further shown that the Examiner has failed to properly establish a prima facie showing of obviousness with respect to such claim by their failure to address the three (3) claimed determining sub-steps.

Applicants initially traverse the rejection of Claims 11-13 and 18-20 for similar reasons to those given above with respect to Claim 3.

Applicants further traverse the rejection of Claims 12-13 and 19-20 for similar reasons to those given above with respect to Claim 4.

Therefore, the rejection of Claims 3-5, 11-13 and 18-20 under 35 U.S.C. § 103 has been overcome.

#### **VI. Conclusion**

It is respectfully urged that the subject application is patentable over the cited references and is now in condition for allowance. The Examiner is invited to call the undersigned at the below-listed telephone number if in the opinion of the Examiner such a telephone conference would expedite or aid the prosecution and examination of this application.

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Respectfully submitted,

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